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Document Purpose

Both of the following provide guidance for allocating tax-exempt bonds for rental housing development:

- [Georgia Code Title 3, Local Government Chapter 82, Bonds Article 8, Georgia Allocation System](#)
- [2022 Qualified Allocation Plan \(QAP\)](#)

This document explains how relevant policies from each will be used to administer the 2022 4% Credits/Bonds Competitive Round, summarized in the table below.

Section from State Code	Applicable Provision(s)	Implementation Details
Allocation Policy Guidelines	Geographic distribution of bonds	See “ <i>Selection Process</i> ” below
Allocation Policy Guidelines	Economic opportunity	Scoring Criteria in 2022 QAP relevant to economic opportunity
Allocation Policy Guidelines	Severe and critical need	Scoring Criteria in 2022 QAP relevant to housing needs
Allocation Policy Guidelines	Public good and general welfare	Scoring Criteria in 2022 QAP relevant to public good and general welfare
Factors to Consider in Applying Policy Guidelines	Metrics mentioned in the Code relevant to housing	See “ <i>Factors to Consider in Applying Policy Guidelines Implementation</i> ” below
Requirements for Qualified Residential Rental Projects	Provision regarding requests exceeding 25% of Local Reservation	See “ <i>Local Reservation Bond Limitation Implementation</i> ” below

Georgia Code Implementation Discussion

Policy Guidelines for Making Allocations (GA Code § 36-82-195) states:

When the department is required to decide which applications should receive a notice of allocation, it shall compare the applications from which the selection is to be made, applying the policy guidelines set forth in this Code section. These policy guidelines are designed to assist the department in making its decisions and are not intended to establish definitive tests or standards.

The decision which the department makes shall be final and conclusive...the order in which [the policy guidelines] are stated does not indicate any priority of one over another.

Selection Process

GA Code § 36-82-195(b)(1) states:

Special consideration shall be given to projects with a view toward an even and more broadly based geographical distribution of bond issues or bond proceeds, as the case may be, over the state...the geographic location of the private activity portion of governmental use bonds shall be considered to be the same as the geographic location of the issuer.

The 2022 QAP states in **(Core Plan) 4% Federal Credit – Bond Financed Projects**:

DCA will ensure a one-to-one ratio of New Supply Applications to Rehabilitation Applications.

Applications proposing rehabilitation of an existing property will be evaluated under the Preservation competition (for more information, see **(Scoring Criteria) Applicability of Scoring Criteria**).

To administer the competitive round consistent with both GA Code and the above QAP provisions, DCA will first set aside approximately \$97 million of bonds for applications in the City of Atlanta, as is required by the Urban Housing Reservation provision (**GA Code § 36-82-190**). DCA will then select as many applications as can be funded given remaining bonds as follows:

1. DCA will rank New Supply and Preservation applications separately based on 2022 QAP Scoring Criteria.
2. DCA will, as closely as is possible, select applications from the New Supply and Preservation competitions on a 1-to-1 basis.
3. DCA will identify all DCA Regional Commissions (“Region(s)”) for which an application site is located within the Region boundaries. For each Region, DCA will ensure at least one of the selected applications is located within these Regions, provided at least one application meets all submission requirements.
 - a. For purposes of this geographic distribution strategy, the Atlanta Regional Commission boundary excludes the City of Atlanta. Atlanta receives its minimum share based on the Urban Housing Reservation provision in the GA Code.

Economic Opportunity, Severe and Critical Need, and Public Welfare Implementation

DCA will implement the following policy guidelines through the sections outlined in **(2022 QAP) Appendix II: Scoring Criteria** relevant to each guideline:

- **GA Code § 36-82-195(b)(2)**: *Special consideration shall be given to projects that would promote or expand economic opportunities, with particular attention given to areas of economic distress.*
- **GA Code § 36-82-195(b)(3)**: *Special consideration shall be given to those projects that will meet a severe and critical need and which can demonstrate a significant impact on the territorial area of the issuer in which the project will be carried out.*
- **GA Code § 36-82-195(b)(4)**: *Special consideration shall be given to projects which the department has determined will enhance the public good and general welfare of the state as a whole.*

“Factors to Consider in Applying Policy Guidelines” Implementation

DCA will implement recommended metrics from **Factors to Consider in Applying Policy Guidelines (GA Code § 36-82-196)** as tiebreakers. DCA will apply tiebreakers in the following order:

1. DCA Region with the lower housing vacancy rate
2. County with the lower housing vacancy rate
3. Issuer territory with a lower housing vacancy rate (if comparable Census data exists for all tying issuer territories)
4. Issuer territory with a lower unemployment rate
5. Higher ratio of private investment to bond financing
 - a. For purposes of this tiebreaker, “private investment” is defined as all development funds not generated through tax-exempt bonds or 4% credits. Deferred developer fee does not qualify.
6. Lower cost per qualified residential rental unit

Local Reservation Bond Limitation Implementation

Requirements for Applications for Qualified Residential Rental Projects (GA Code § 36-82-192)

states:

The department shall not be required to give notices of allocation from the local housing reservation for any qualified residential rental housing project in an aggregate principal amount of more than 25 percent of the amount of the local housing reservation.

DCA retains the discretion to deny or reduce bond allocation requests exceeding 25% of the Local Housing Reservation, as authorized by § 36-82-192.